

LEGISLATURE OF NEBRASKA

ONE HUNDREDTH LEGISLATURE

FIRST SESSION

**LEGISLATIVE BILL 69**

Introduced By: Hudkins, 21;

Read first time: January 5, 2007

Committee: Agriculture

A BILL

1       FOR AN ACT relating to agriculture; to amend sections 2-5415,  
2                   2-5416, 2-5417, and 2-5418, Revised Statutes Cumulative  
3                   Supplement, 2006; to modify provisions of the Agricultural  
4                   Opportunities and Value-Added Partnerships Act; to authorize  
5                   grants for specialty crops; to harmonize provisions; and to  
6                   repeal the original sections.

7       Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 2-5415 Revised Statutes Cumulative  
2 Supplement, 2006, is amended to read:

3           2-5415. For purposes of the Agricultural Opportunities and  
4 Value-Added Partnerships Act:

5           (1) Farming or ranching operation means the active use,  
6 management, and operation of real and personal property for the  
7 production of crops or raising of livestock;

8           (2) Project means any agricultural or value-added  
9 agricultural product activity in the areas specified in section 2-5419  
10 designed to promote the purposes specified in section 2-5416. Project  
11 does not mean, and grant funds shall not be used for, any activity  
12 primarily designed to contribute to a single business, enterprise, or  
13 individual or designed to subsidize an existing farming or ranching  
14 operation; ~~and~~

15           (3) Specialty crop means fruits, vegetables, tree nuts,  
16 dried fruits, and nursery crops, including floriculture; and

17           ~~(3)~~ (4) Value-added means increasing the net worth of  
18 food or nonfood agricultural products by processing, alternative  
19 production and handling methods, collective marketing, or other  
20 innovative practices.

21           Sec. 2. Section 2-5416 Revised Statutes Cumulative  
22 Supplement, 2006, is amended to read:

23           2-5416. The purposes of the Agricultural Opportunities and  
24 Value-Added Partnerships Act are to:

25           (1) Support small enterprise formation in the agricultural  
26 sector of Nebraska's rural economy, including innovative cooperative  
27 efforts for value-added enterprises;

1           (2) Support the development of agricultural communities and  
2 economic opportunity through innovative partnerships among farming and  
3 ranching operations, rural communities, and businesses for the  
4 development of value-added agricultural products;

5           (3) Encourage collaboration between farming and ranching  
6 operations and between farming and ranching operations and  
7 communities, government, and businesses as well as between communities  
8 and regions;

9           (4) Strengthen the value-added production industry by  
10 promoting strategic partnerships and networks through multigroup  
11 cooperation for the creation of employment opportunities in the  
12 value-added agriculture industry;

13           (5) Enhance the income and opportunity for farming and  
14 ranching operations in Nebraska in order to stem the decline in their  
15 numbers;

16           (6) Increase the farming and ranching operations' share of  
17 the food-system profit; ~~and~~

18           (7) Enhance opportunities for farming and ranching  
19 operations to participate in electronic commerce and new and emerging  
20 markets that strengthen rural economic opportunities; ~~and~~ -

21           (8) Encourage the production and marketing of specialty  
22 crops in Nebraska and to support the creation and development of  
23 agricultural enterprises and businesses that produce and market  
24 specialty crops in Nebraska.

25           Sec. 3. Section 2-5417 Revised Statutes Cumulative  
26 Supplement, 2006, is amended to read:

27           2-5417. (1) The Department of Agriculture and the Department

1 of Economic Development shall establish a competitive grant process to  
2 provide grants for projects under the Agricultural Opportunities and  
3 Value-Added Partnerships Act to eligible entities. The Department of  
4 Economic Development shall administer the act. Grants may be made for  
5 up to seventy-five thousand dollars annually to eligible entities  
6 under section 2-5418 that directly address one or more of the purposes  
7 specified in section 2-5416 in the areas specified in section 2-5419  
8 and which meet the requirements of this section and section 2-5420.  
9 At least twenty-five percent of grant dollars awarded in a year shall  
10 be used for funding grants for specialty crops.

11 (2) Priority for the awarding of grants within the  
12 parameters of this section shall be given to projects that make the  
13 greatest contribution in increasing the number and quality of  
14 self-employment opportunities for farming or ranching operations.  
15 Grants shall also be awarded to pilot cooperative efforts for the  
16 promotion of value-added products. Projects may be recommended for  
17 recognition by the Governor.

18 (3) A recipient of a grant shall not receive more than one  
19 grant in any one calendar year for the same project.

20 (4) Grants shall be awarded on a one-year basis but may be  
21 renewed on an annual basis for no more than three years. The  
22 Department of Agriculture and the Department of Economic Development  
23 shall develop an annual performance review process and a program for  
24 grant renewal of approved projects determined to have continued  
25 necessary statewide application and success.

26 (5) Grant funds shall not be used to replace other funding  
27 for the administrative support of the recipient or the administrative

1 support of the project or for administrative costs relating to the  
2 planning of the project or for any activity primarily designed to  
3 contribute to a single business, enterprise, or individual.

4 Sec. 4. Section 2-5418 Revised Statutes Cumulative  
5 Supplement, 2006, is amended to read:

6 2-5418. Eligible entities for grants under the Agricultural  
7 Opportunities and Value-Added Partnerships Act include communities,  
8 counties, agencies, educational institutions, economic development  
9 providers, nonprofit corporations, agricultural cooperatives,  
10 agricultural associations, agricultural marketing associations or  
11 entities, resource conservation organizations, development districts,  
12 and farming or ranching operations ~~in collaborative arrangements with~~  
13 ~~other operations, entities, or organizations~~ that meet the purposes  
14 specified in section 2-5416.

15 Sec. 5. Original sections 2-5415, 2-5416, 2-5417, and  
16 2-5418, Revised Statutes Cumulative Supplement, 2006, are repealed.